

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Pilbara Minerals Limited

ABN

95 112 425 788

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(398)	(2,284)
(b) development - feasibility	(1,201)	(2,503)
(c) production	-	-
(d) staff costs	(1,435)	(3,500)
(e) administration and corporate costs	(811)	(3,043)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	692	1,813
1.5 Interest and other costs of finance paid	(3,898)	(13,169)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	1,067	3,048
1.8 Other (provide details if material)	-	(587)
1.9 Net cash from / (used in) operating activities	(5,984)	(20,225)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(165)	(353)
(b) tenements (see item 10)	-	(30)
(c) investments	-	-
(d) other non-current assets – mine properties in development	(73,741)	(144,366)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	300
(b) tenements (see item 10)	-	-
(c) investments	-	8
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(73,906)	(144,441)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	79,603	136,460
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	400	13,271
3.4 Transaction costs related to issues of shares, convertible notes or options	(71)	(2,581)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	(97)
3.7 Transaction costs related to loans and borrowings	(62)	(649)
3.8 Dividends paid	-	-
3.9 Other (*)	62,775	65,735
3.10 Net cash from / (used in) financing activities	142,645	212,139

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	71,966	87,248
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(5,984)	(20,225)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(73,906)	(144,441)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	142,645	212,139
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period (*)	134,721	134,721

* Cash and cash equivalents does not include restricted cash. During June 2017 the Company received bond proceeds of \$132.3M (US\$100M) following settlement of a senior secured bond facility. The bond proceeds were deposited into an escrow account pursuant to the terms and conditions of the bond and classified as “restricted cash” whilst they remain in escrow.

Access to these funds held in the escrow account is restricted until the satisfaction of a cost to complete test, following which funds will be incrementally withdrawn from the escrow account to meet construction and development payments associated with the Pilgangoora Project.

During the quarter ending 31 March 2018 the Company successfully completed the first cost to complete test resulting in the drawdown of US\$48.4M (\$63.1M) of funds from the escrow account associated with the senior secured bond facility

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,106	17,212
5.2 Call deposits	132,615	54,754
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	134,721	71,966

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
221
-

7. Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	130,463	63,110
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 21 June 2017 the Company completed settlement of a US\$100M senior secured bond facility. The bonds were issued by the Company's wholly owned subsidiary Pilgangoora Operations Pty Limited and are administered by the bond trustee, Nordic Trustee ASA. The coupon rate is 12% per annum with interest payable quarterly in arrears. The facility amount shown above of \$130.5M has been restated to reflect the closing foreign exchange rate at 31 March 2018.

During the quarter ending 31 March 2018 the Company completed the first draw down from the senior secured bond facility, representing approximately 50% of total bond proceeds.


9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	502
9.2 Development – feasibility and mine properties in development	91,526
9.3 Production	8,440
9.4 Staff costs	1,171
9.5 Administration and corporate costs	1,114
9.6 Other (*) (provide details if material)	4,806
9.7 Total estimated cash outflows	107,559

* Other cash flows include \$3.9M for interest payments due under the senior secured bond facility and \$0.9M relating to transaction costs associated with the issue of equity during the March quarter.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
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(Company secretary)

Date: 27 April 2018

Print name: Alex Eastwood

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.